

DOCUMENT RESUME

ED 189 719

EA 012 849

AUTHOR Odden, Allan; McGuire, C. Kent
TITLE Financing Educational Services for Special
Populations: The State and Federal Roles. Working
Paper in Education Finance No. 28.
INSTITUTION Education Commission of the States, Denver, Colo.
Education Finance Center.
PUB DATE 1 May 80
NOTE 29p.
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Bilingual Education; *Compensatory Education;
Disabilities; Elementary Secondary Education;
*Federal Aid; *Federal Programs; *State Aid; *State
Programs; Students

ABSTRACT

Introducing this paper is a discussion of the trend during the 1960s and 1970s toward greater state and federal involvement both in financing and in developing programs for special pupil populations. The authors then summarize, as of the 1980 fiscal year, the state and federal roles in programs for the handicapped and in bilingual and compensatory education. The number of students served and the level of funding are noted. The information is presented for the purpose of developing policies to streamline the various programs administratively and making concrete suggestions as to the need for program and fiscal changes at both the state and federal levels. The authors argue that a full range of programs for special pupil populations is a matter of good human services policy and should be seen as an element of good education policy at both the state and federal levels. They argue further that a great deal of attention needs to be given to streamlining special programs at each level and across levels of government. The future issue is how all these programs merge at the classroom level and what is the best set of strategies for providing special services along with regular classroom educational services. (Author/IRT)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY.

ED189719

WORKING PAPERS
IN
EDUCATION FINANCE

Working Paper No. 28
FINANCING EDUCATIONAL SERVICES
FOR SPECIAL POPULATIONS:
THE STATE AND FEDERAL ROLES

By Allan Odden
and C. Kent McGuire

Education Finance Center
Education Commission of the States
Denver, Colorado 80295

May 1, 1980

Prepared by the Education Finance Center for the ECS Policy Committee.

PERMISSION TO REPRODUCE THIS
MATERIAL HAS BEEN GRANTED BY

S.V. Allen

EA 012 849

CONTENTS

INTRODUCTION AND OVERVIEW	1
I. PROGRAMS FOR THE HANDICAPPED	6
II. COMPENSATORY EDUCATION	12
III. BILINGUAL EDUCATION	15
IV. ISSUES OF THE FUTURE	16
Table 1: REVENUES FOR ELEMENTARY AND SECONDARY EDUCATION BY GOVERNMENTAL UNIT	19
Table 2: SERVICE AND FUNDING LEVELS FOR THE HANDICAPPED BY LEVEL OF GOVERNMENT FOR SELECTED YEARS.....	20
Table 3: COMPARISON OF FEDERAL AUTHORIZED AND ACTUAL FEDERAL AND STATE SPECIAL EDUCATION APPROPRIATIONS	21
Table 4: THE STATE ROLE IN PROVIDING SERVICES FOR THE HANDICAPPED	22
Table 5: STATE SPECIAL EDUCATION REVENUES AVAILABLE PER PUPIL SERVED	23
Table 6: FEDERAL AND STATE REVENUES FOR PUPILS SERVED BY AND REVENUES FOR COMPENSATORY EDUCATION PROGRAMS, SELECTED YEARS	24
Table 7: STATES OPERATING THEIR OWN COMPENSATORY EDUCATION PROGRAMS AS OF 1979-80 SCHOOL YEAR.....	25
Table 8: STATES OPERATING THEIR OWN BILINGUAL EDUCATION PROGRAMS	26

INTRODUCTION AND OVERVIEW

Historically, funds for elementary and secondary education have derived from a combination of local, state and federal sources. Thirty years ago, nearly two-thirds of total revenues were provided by local school districts with the state providing the bulk of the remainder. The federal government played a minimal role, both fiscally and programmatically.

During the 1960s and 1970s significant shifts occurred in the programmatic and fiscal roles of the various levels of governments in public elementary and secondary education. First, the federal government, beginning in 1965, began to develop a set of programs targeted on special pupil populations which had been underserved by the country's education system. In the 1970s, the states too enacted such programs. By the end of the 1970s, both the states and the federal government had enacted numerous programs serving such special pupil populations as the handicapped, low income, bilingual, migrant, neglected and delinquent, Indians and gifted and talented.

Second, the sources of fiscal support for schools changed significantly. As shown in Table 1, at the beginning of the 1970s the bulk of revenues were derived from local sources, with the states a close second and the federal government contributing about eight percent. At the close of the decade, the local role, for the first time in many decades, dipped below the 50 percent level reflecting a 15 year trend of a declining local percentage role. The flip side of this trend was the rise in the state role,

which has increased over the past decade and now surpasses that of any level of government. In fact, today the state occupies the lead position in fiscal support for schools; many predict that the state role will exceed 50 percent well before the end of the 1980s. Despite the expansion of state and federal programs and the shifts in the state and local financial roles the federal share in financing schools has remained relatively stable since 1970, hovering around the 8.5 percent level.

In dollar terms the shifts in the state and local shares and the stability of the federal role are even more apparent. Over the period from 1969 to 1979, total education revenues increased 115.6 percent from \$40.3 billion in 1969 to \$86.8 billion in 1979, a rise of \$46.6 billion. This was composed of a whopping increase of \$25.1 billion in state revenues, a rise of \$17.0 billion in local funds, a \$4.4 billion change in federal funds. Both in total amounts and in changes over time, the state is clearly the leader in funding elementary and secondary education in this country

These figures also show that the funding and administration of public elementary and secondary education in the United States is a shared responsibility among all three levels of government. While constitutionally education is a state responsibility, and while historically the states have played the major role in education, the fact is that today all three levels of government are involved in education programmatically and fiscally. And all three levels of government, through the intergovernmental channels of our federal system, work hard to make this shared

responsibility effective in providing quality education services to our nation's youth.

The current large federal role in elementary and secondary education began in 1965 with the passage of the Elementary and Secondary Education Act (ESEA). Title I of this act, presently the largest federal education program at the elementary and secondary level, is designed to meet the "special educational needs" of school aged children. For the 1978-79 school year, \$2.6 billion was made available for compensatory education programs for low income students and an additional \$452.8 million was appropriated for neglected and delinquent, migrant, Indian and handicapped students. It is estimated that this total of \$3.1 billion served approximately 6.3 million students.

Over the 15 years since ESEA Title I was enacted, states have enacted complementary programs of compensatory education. Currently, 16 states have their own comprehensive, compensatory education programs and an additional 6 states provide funding for compensatory education services through their general school aid formulas. For the 1978-79 school year, more than 2.7 million children received state compensatory education services financed by approximately \$700 million in state funds.

Both states and the federal government now offer programs and provide funding for students needing bilingual or bilingual/bicultural education services. Twenty-two states operate bilingual education programs. During the 1978-79 school year, a total of \$94 million in state funds served more than 600,000 students in these programs. The federal government, under

Title VII of ESEA, provides assistance to state departments of education and local school districts to operate bilingual programs. In fiscal year 1979, federally funded programs were run in more than 50 different languages throughout the United States; federal funding totaled \$158.6 million and served about 3.6 million students.

A federal program for the gifted and talented exists as a special project under Title IX of ESEA. Approximately \$3.78 million was distributed to local school districts during 1979 through a grants application process. Local districts design the programs and the federal role is limited to accepting and approving applications. It is estimated that about 700,000 pupils were served under this program. Various state provisions for gifted and talented students also exist. A few states allocate funds directly to local school districts which submit applications for state aid. Other states provide additional aid for the development of such activities by weighting gifted students in the general aid formula, or by providing a flat grant per identified student. Still other states provide support for special instructional programs or for special personnel. Within the next year, ECS will survey the states to determine the level of funding under these state programs and the estimated total number of students served.

Finally, all states have comprehensive programs for educating students with physical, mental and emotional handicapping conditions. These programs were complemented in 1976 by the federal Education For All Handicapped Children Act, P.L. 94-142.

In the 1978-79 school year, states appropriated \$3.4 billion for educating 3.9 million handicapped students; this was complemented by approximately \$564 million in federal funds. It should also be noted that when the federal government enacted P.L. 94-142, thereby formalizing their commitment to the education of all handicapped children, the states were already spending \$2.9 billion and serving 2.8 million handicapped students.

Thus, both the states and the federal government not only share generally in supporting public education but also have been active in developing a series of programs for special pupil populations. These special efforts have focused attention on groups of students who historically have been underserved in our nation's schools. The rapid expansion of these special programs over the past 15 years reflects a shared commitment on the part of both the states and federal government to these high need pupils and represents a progressive improvement in public education policy. Today, both the states and the federal government believe that a full complement of programs for special pupil populations is good public education policy.

The remainder of this document summarizes, as of the 1980 fiscal year, the state and federal roles related to the many programs for special populations, focusing on the number of students served and the level of funding. This information is presented as initial information for the purpose of developing policies to streamline the various programs administratively, and to make concrete suggestions as to the need, programmatically and fiscally, for changes in these programs at both the state and

federal levels. Emphasis is given in this paper to the "big three" special pupil populations: the handicapped, the compensatory and the bilingual student. It should be noted that, because of data limitations, it has been impossible to identify in the fiscal information the local contributions to these programs. Thus, the revenue figures cited underestimate the funds actually spent on special programs for these students.

I. PROGRAMS FOR THE HANDICAPPED

As Table 2 shows, significant strides have been made over the decade in both the number of students served and in the state and federal resources allocated for educating handicapped students. In 1980, about 4.1 million handicapped students are estimated to be served, an increase of 43.3 percent, or 1.2 million, over the number served in 1975. Likewise, total state and federal revenues appropriated for these students have also risen significantly. About \$4.2 billion are estimated to be allocated for 1980, nearly double the amount available in 1972; this represents a rise of 96.9 percent, or a total increase of \$2.1 billion in combined state and federal funds. Clearly, significant progress has been made in funding free and appropriate education services for all handicapped youngsters.

In the last half of the past decade, a great deal of attention was given to the federal law requiring services for the handicapped, P.L. 94-142. This attention on the federal role is somewhat ironic since the commitment to educating handicapped

students is shared by both the states and the federal government and guaranteed as a constitutional right. As Table 2 shows, the federal government is the junior partner in supporting services for the handicapped. In 1975, the year in which P.L. 94-142 was debated in Congress, the states were spending more than \$2 billion dollars on education services for nearly three billion handicapped students. In 1980, four years after the passage of P.L. 94-142, the states are estimated to be spending \$3.4 billion educating just over four million handicapped students. Between 1975, the year before P.L. 94-142 was enacted and the current fiscal year (1980), states have increased their funding of services for the handicapped by 66.6 percent, or just over \$1,350 billion, and have expanded services to an additional 1,239 million handicapped students.

The federal government over this same time period, even with the passage of P.L. 94-142, has increased its funding by \$479 million to a total of just \$804 million for 1980. The federal financial role in 1980 is about one-quarter that of the state role. In fact the federal role in 1980 is just under the \$910.1 million the states were spending on handicapped services in 1972.

The data shown in Table 3 suggest that the federal role in financing services for the handicapped, at least in the short run, is unlikely to exceed its relative proportion today, and will probably continue to be modest. The appropriation for 1980 is less than that authorized and the amount budgeted for 1981, \$862 million, is also below the authorized level. In both years, the federal amount is less than one-quarter the state amount. Even on

a dollar per handicapped served basis, the federal role is modest. In 1978, the federal government allocated \$74 per child served while the states allocated \$663. In 1979, the federal figure rose to about \$206, while the state amount rose to \$858. In 1980 the states are estimated to spend \$828 servicing each handicapped child with a federal contribution of about \$210. While both the state and federal funding levels are significant in terms of total dollars, in 1980 and again in 1981 the federal government is beginning to lag behind its level of financial commitment as authorized by P.L. 94-142.

These facts make it clear that both levels of government have assumed the responsibility for financing services for handicapped children but that the states have the largest financial role. The states were heavily involved in financing programs for the handicapped at the beginning of the 1970s, had expanded their commitment by the middle of the decade, and provide large sums for serving millions of students as the 1980s begin.

On a state by state basis, as shown in Tables 4 and 5, the state and federal role in funding services for the handicapped is further highlighted. While the federal role has risen to about \$210 per handicapped student in 1980, these data show that the state role began at a significantly higher level and still increased dramatically over this time period. Fewer than 6 states spent less per handicapped child served in 1975 than the federal government will spend through P.L. 94-142 in 1980. In FY 79, state aid per handicapped child ranged from a high of \$2,264 in Montana to a low of \$279 in Rhode Island, placing all states above

the federal government in funding services for handicapped children. In fact, while the federal commitment was \$206 in 1979, 3 states spent over \$2,000 per child, 10 states spent between \$1,000 and \$2,000 per child, 27 states spent between \$5,000 and \$1,000 per child, and only 9 states spent under \$500 per handicapped child.

The applaudable fact is that both the states and the federal government made commitments in the 1970s to provide free and appropriate education services to handicapped students. Progress has been made in fulfilling those commitments. The progress has been costly. However, the combination of state and federal funds is still insufficient to fully fund that commitment. Assuming there are 4.1 million handicapped students in 1980 and that the excess cost of providing services averages \$2,000 per child (i.e., the cost of educating handicapped children is about twice the national average cost of educating the regular child) \$8.2 billion would be needed to provide a full service. With the states estimated to spend \$3.4 billion and the federal government \$0.86 billion, that leaves a revenue shortfall of about \$4.1 billion. Even adding the local contribution, which is sizeable but unknown, a full funding commitment probably is not yet fully met.

Over the next few years, it is unlikely that either the states or the federal government will change significantly their programs for the handicapped. But since the funding of those programs that are already on the books is below the 100 percent level, and since full funding will be required to provide a full service level, it will be necessary for both the states and the

federal government to exercise the discipline needed to appropriate the funds for these programs.

Fully funding programs already enacted is not the only prerogative for state and federal action related to programs for the handicapped. At a more basic level, there should be a recognition that providing services for the handicapped is a shared responsibility for all levels of government. As the above figures clearly show both the states and the federal government spend large sums of money on these programs and as stated earlier, local school districts also contribute significantly.

It should be emphasized that P.L. 94-142 is not the only mandate for the handicapped. All the states have comprehensive laws mandating services for handicapped students. Furthermore, federal courts have ruled that, apart from specific laws, the Constitution also requires that education services be provided to the handicapped. Thus a combination of civil rights required by the Constitution and a host of state and federal laws today mandate free and appropriate educational services for all students. No one level of government is preeminent in this context. All levels share in the responsibility; all should share in the financing and delivery of the services.

In looking into the 1980s, at least with respect to the financing of these services, it would make good public policy to forge a partnership among the states and the federal government to address a series of issues both for determining the actual costs of providing full service levels in the 1980s and for streamlining the administration and implementation of the programs both across

levels of government and among various agencies at each level of government. The following issues should be given joint attention:

1. What is the total number of handicapped students? About 4.1 million will be served in 1980. How many students are not yet served? Of those served, how many are underserved?
2. What services are being provided, in which types of program configurations and for what types of handicapping conditions? What is the nature of service gaps? Are some services or procedures unnecessary for some students? Are more needed for others?
3. What are the costs of various programs and services both across the different handicapping conditions and through different program configurations?
4. Thus, what will be the required expenditures to provide a free and appropriate level of services for all handicapped students by 1985? How should these expenses be allocated across federal, state and local governments? Are the current funding levels and mechanisms adequate? What are potential problems with the current funding formulas in terms of incentives and disincentives for delivering appropriate services at the local level? Should the structure of either the federal or state various formulas be changed?
5. What changes can be made in the federal and state rules, regulations and program guidelines to streamline implementation at the local level? To what degree is the

- specific nature of the federal requirements inconsistent with state requirements? What changes are needed to eliminate ambiguities yet maintain the integrity of both?
6. Can a common and clear definition of "related services" be agreed upon?

II. COMPENSATORY EDUCATION

The major federal role in funding services for special populations has been Title I of the Elementary and Secondary Education program which provides compensatory education services to students from poverty backgrounds. In the past decade, many states have joined this federal effort and have developed state programs of compensatory education which, in many instances, have been designed to serve students eligible for Title I services, but due to lack of funding, not served. Table 6 shows that over the past 15 years both the federal and state roles in funding these programs have grown. At the end of the 1970s combined state and federal funds for compensatory education programs totaled about \$3.8 billion and served 6.3 million students. This joint involvement indicates that the need to provide special services to low achieving students from poverty or low income backgrounds is a responsibility that today is shared by both the federal government and many of the states.

In an effort to provide an incentive for all states to enact and fund compensatory education programs that would complement the goals of ESEA Title I the federal government, in the education

amendments of 1978, included an incentive program whereby the federal government would provide an additional dollar of Title I aid for every two dollars appropriated by states for state compensatory education programs. The general programmatic structure required to make state programs eligible for matching funds were that the funds were to be categorical in nature, used for the education of educationally disadvantaged students, supplemental, and reported through some sort of program accounting mechanism to the state department of education.

Table 7 lists first those states with compensatory education programs that generally meet these requirements and secondly lists those states which allocate additional aid for low income students through the general operating formula. These latter programs, in general, do not meet the programmatic requirements required for federal matching. But the top 16 state programs do. Thus the states spent nearly \$700 million in 1979 and are estimated to be spending \$789 million in 1980 on programs that should potentially be eligible for federal matching aid. The 16 states with identifiable state compensatory education programs, moreover, include the states with both the largest total populations and the largest numbers of low achieving students from low income backgrounds.

Three aspects of the state role in compensatory education and the federal matching program should be noted. First, it would be unfortunate if the detailed federal requirements for matching aid were so restrictive that no state qualified. The fact is that 16 states already have separate, identifiable, compensatory education

programs serving educationally disadvantaged students supported by nearly \$800 million in state funds. These states, moreover, are willing to make modifications in their programs structures to meet federal matching requirements. But an overly detailed set of federal requirements might discourage most states from attempting to comply, thus defeating the purpose of the incentive program. ECS would hope that the states and the federal government could agree cooperatively on a set of federal matching requirements that maintain the integrity of both the federal and state policy goals and include the bulk of these separate state programs as those eligible for the federal match.

Second, if the federal government wishes to have a fiscal incentive for states to enact compensatory education programs, sufficient appropriations must be made for the incentive component to constitute a fiscal encouragement. Currently, a total figure of \$30 million has been proposed by some as the federal appropriations for the incentive program. That simply will not be large enough to encourage states either to expand or enact new compensatory education programs.

Third, irrespective of the federal incentive for new state compensatory education programs, all states should be encouraged to enact state funded programs providing education services to disadvantaged students. ESEA Title I does not, and perhaps should not, be expected to provide sufficient funds to provide all services needed by educationally disadvantaged students. The federal effort should be complemented by similar state efforts. As Table 7 shows, 22 states now provide this complementary

assistance. As a matter of good education policy and as an indication that providing services to low achieving students from poverty backgrounds is a shared responsibility of both the states and the federal government, each state should enact some type of program complementing the federal Title I program.

In addition, the states and the federal government should continue to work cooperatively on rules, regulations and program guidelines that merge federal and state efforts in an efficient manner and maintain the focus of both programs on providing supplemental services to educationally disadvantaged students.

There is great hope across the states that the final revised Title I guidelines will show clearly how states can design programs to complement Title I and insure that all students needing compensatory education services can be served efficiently by a combination of state and federal funds.

III. BILINGUAL EDUCATION

Table 8 shows that in the arena of bilingual education services there is now a substantial state role. Twenty-two states, and most states with large numbers of Spanish-surnamed students, have enacted state programs designed to provide special services for students with limited English speaking ability. In 1980, the funds provided for these programs will total nearly \$100 million and with the federal funds made available under Title VII of ESEA will bring the total state and federal aid available for bilingual programs to nearly one-quarter of a billion dollars.

These facts indicate that the need to provide extra, higher costs services to students with limited English speaking ability is again a responsibility that falls on both states and the federal government, and that efforts to provide these services are shared and should be implemented cooperatively by these two levels of government.

Currently, federal funds are allocated on a grants-application basis, not on a formula funding basis. There may be a time when federal funds will be allocated on a formula basis. Should that occur, the issues of supplement rather than supplant, rules, regulations and program guidelines and the merging of the federal programs with the numerous state programs will become especially important. Prior to that time it would be advantageous for a joint state and federal task force to develop on a cooperative basis the set of procedures that would maintain the intent of both federal and state policy objectives, give concrete definition to the types of programs that will be funded, and merge the efforts of the two governments into a combined program that is designed and funded on a joint basis, thus formalizing the fact that these types of extra services are a shared duty on the part of both levels of government.

IV. ISSUES OF THE FUTURE

As the 1980s progress, there should be an increased awareness that programs for special pupil populations are a responsibility of both states and the federal government, and in many instances are in

fact constitutionally or statutorially defined civil rights. Both services for the handicapped and desegregation are required by the federal, and probably also, state constitutions. General civil rights/nondiscrimination laws require special services for the limited English speaking student. And the country has long had a commitment to provide services to students or families from poverty backgrounds. Thus a full range of programs for special pupil populations is a matter of good, human services policy in this country, and should be seen as elements of good education policy at both the state and federal level. The question is not which level of government is responsible for which special pupil group; rather the real issue is how programs for all special populations can be designed and funded with joint and cooperative involvement of the states and the federal government, as well as local school districts which ultimately implement all education programs.

In this light, the issue at the end of the 1980s might be how all the special and general programs emerge as services at the local school level as they are provided to students in the classrooms. The intent of all special programs is to insure that those special students receive targeted and additional services. Maintaining a separate identity of these programs down to the classroom level may not be the best way to implement this intent. A student could be both bilingual and handicapped. Meeting both special needs in a combined setting might be most advantageous for that student. Similarly, a disadvantaged student might benefit most from being in a smaller class with higher achieving students rather than being "pulled out" and given special instruction. The point simply is that

while a great deal of attention needs to be given now to streamlining special programs at each level of government and across levels of government, the future issue is how all these programs merge at the classroom level and what is the best set of strategies for providing these special services along with regular classroom educational services.

Table 1
REVENUES FOR ELEMENTARY AND SECONDARY EDUCATION
BY GOVERNMENTAL UNIT
(in Millions)

School Year	Local	Percent of Total	State	Percent of Total	Federal	Percent of Total	Total
1969-70	\$20,985	52.1	\$16,063	39.9	\$3,220	8.0	\$40,267
1970-71	23,205	52.1	17,553	39.4	3,754	8.4	44,511
1971-72	26,402	52.8	19,133	38.3	4,468	8.9	50,004
1972-73	26,933	51.4	21,320	40.7	4,133	7.9	52,387
1973-74	29,187	50.1	24,113	41.4	4,930	8.5	58,231
1974-75	30,486	48.4	27,472	43.6	5,089	8.1	63,047
1975-76	33,566	47.9	30,551	43.6	5,970	8.5	70,087
1976-77	35,965	47.7	33,093	43.9	6,370	8.4	75,428
1977-78	38,552	47.2	36,066	44.1	7,141	8.7	81,758
1978-79	37,985	43.7	41,196	47.4	7,647	8.8	86,828
1969-70 to 1978-79 Change	\$17,000	81.0	25,133	156.0	4,428	138.0	46,561 ¹

¹The percentage change in total revenues from 1969-70 to 1978-79 was 115.

Source: National Education Association, Estimates of School Statistics, 1978-79. Washington, D.C.: National Education Association. 1979.

Table 2

**SERVICE AND FUNDING LEVELS FOR THE HANDICAPPED
BY LEVEL OF GOVERNMENT FOR SELECTED YEARS**

	Number of Students Served (Thousands)				Change 1975-1980	
	Total				Number	Percent
	1972	1975	1979	1980		
State and Federal	2,817 ¹	2,861 ²	3,912 ³	4,100 est.	1,239	43.3

	Funds Appropriated (Millions)				Change 1975-1980	
	Total				Dollars	Percent
	1972	1975	1979	1980		
State	\$ 910 ⁴	\$2,038 ⁴	\$3,356 ⁵	\$3,396 ⁵	\$1,358	66.6
Federal (Part B)	3006	325 ⁶	564 ⁷	804 ⁷	479	147.4
Total State and Federal	\$1,000 (est.)	\$2,132	\$3,920	\$4,200	\$2,068	96.9

¹Student count methodology may differ by state. From William Wilken and David Porter, State Aid for Special Education, Who Benefits? Washington, D.C.: National Institute of Education. 1977, Table I-6.

²Student count methodology may differ by state. From Margaret Hodge, "State Financing of Special Education." Washington, D.C.: U.S. Commission on Civil Rights. 1979. Table 5.

³Total count under P.L. 94-142 and P.L. 89-313. From Hodge, Table 5.

⁴Wilken and Porter, Table I-8.

⁵ECS estimates from phone surveys of state directors of special education.

⁶ECS estimates of all federal funds for all purposes for education services for the handicapped, from numerous sources.

⁷Bureau of Education for the Handicapped Budget Data, Part B funds under P.L. 94-142.

Table 3

**COMPARISON OF FEDERAL AUTHORIZED AND ACTUAL
FEDERAL AND STATE SPECIAL EDUCATION APPROPRIATIONS**

<u>Fiscal Year</u>	<u>Federal Role - Part B</u>		<u>Actual State Role</u>
	<u>Authorized</u>	<u>Actual</u>	
1974-75	--	\$ 88*	\$2,038
1977-78	\$ 254	254	2,559
1978-79	564	564	3,356
1979-80	1,200	804	3,396
1980-81	1,800 est.	862 est.	N.A.

*ESEA Title I aid to the handicapped.

Table 4
THE STATE ROLE IN PROVIDING SERVICES
FOR THE HANDICAPPED

(in Thousands)

State	Students Served			Revenues (Thousands)		
	Total		Percent	Total		Percent
	1975	1980	Change Percent	1975	1980	Change Percent
Alabama	--	69,749	--	\$ 28,350	\$ 75,375**	165.0
Alaska	12,613	9,341	25.9	9,390	22,032*	134.0
Arizona	37,095	45,438	22.4	16,635	26,960**	62.0
Arkansas	22,023	40,345	83.1	6,743	23,875*	254.0
California	315,461	334,887	6.2	207,303	416,100*	100.0
Colorado	87,166	46,676	46.5	22,665	37,448*	65.0
Connecticut	66,781	61,339	8.1	30,000	56,480**	88.0
Delaware	15,780	13,679	13.3	16,900	21,798**	28.0
Florida	120,078	128,463	7.0	113,514	223,434*	96.0
Georgia	99,746	97,928	1.8	43,138	70,643**	63.0
Hawaii	13,477	11,002	18.4	8,534	18,178*	113.0
Idaho	14,380	18,639	29.6	9,311	22,000*	136.0
Illinois	220,415	247,483	12.2	115,066	206,100*	79.0
Indiana	74,936	96,836	29.2	16,500	42,476*	157.0
Iowa	42,390	56,683	33.7	10,765	83,251*	729.0
Kansas	31,084	37,088	19.3	9,476	25,910*	173.0
Kentucky	46,024	62,975	36.8	20,427	63,195**	547.0
Louisiana	76,222	93,369	22.4	31,450	95,000*	202.0
Maine	23,526	24,283	3.2	4,350	14,191*	22.6
Maryland	77,520	88,571	14.3	40,977	69,858*	70.0
Massachusetts	97,905	140,576	43.6	93,000	--	--
Michigan	180,783	156,279	13.6	90,000	106,000*	18.0
Minnesota	--	78,998	--	28,500	--	--
Mississippi	28,356	39,240	38.4	8,199	48,684*	494.0
Missouri	93,497	99,542	6.5	28,229	38,918**	38.0
Montana	13,722	12,549	8.5	13,457	22,290**	66.0
Nebraska	25,910	31,252	20.6	10,326	--	--
Nevada	--	11,405	--	6,293	12,420*	97.0
New Hampshire	8,160	10,850	33.0	1,304	5,613*	330.0
New Jersey	119,295	151,992	27.4	61,540	177,025*	188.0
New Mexico	11,370	19,239	69.2	12,661	--	--
New York	124,994	208,906	67.1	196,559	221,700*	13.0
North Carolina	98,515	108,197	9.8	40,821	92,136**	126.0
North Dakota	10,925	9,660	11.6	1,591	7,682**	383.0
Ohio	--	190,989	--	103,046	214,441**	108.0
Oklahoma	47,719	57,809	21.1	6,701	24,615*	267.0
Oregon	40,578	41,260	1.7	5,273	12,242*	132.0
Pennsylvania	188,957	186,522	1.3	168,000	252,291*	50.0
Rhode Island	--	14,328	--	16,500	12,922*	21.7
South Carolina	76,335	70,336	7.9	19,029	--	--
South Dakota	5,996	9,479	58.0	350	2,025*	558.0
Tennessee	124,511	108,891	12.0	33,513	61,817**	85.0
Texas	--	273,499	--	190,805	259,992*	36.0
Utah	43,874	35,263	19.6	13,573	26,089**	92.0
Vermont	6,799	12,130	78.4	3,173	10,653*	235.0
Washington	29,262	51,876	77.3	33,283	52,778*	58.0
West Virginia	9,657	31,293	--	4,633	7,531**	63.0
Wisconsin	77,241	60,483	21.7	37,752	95,300*	152.0
Wyoming	9,657	9,542	-1.2	5,000	18,900**	278.0

*ECS estimates from phone survey of state directors of special education.
**ECS estimates.

Table 5

STATE SPECIAL EDUCATION REVENUES
AVAILABLE PER PUPIL SERVED

State	1975	1978	1979
Alabama	--	\$1,162	\$1,147
Alaska	745	1,750	2,141
Arizona	448	581	554
Arkansas	306	403	590
California	657	--	1,032
Colorado	260	708	731
Connecticut	765	885	876
Delaware	1,071	--	2,174
District of Columbia	--	2,529	2,254
Florida	945	934	951
Georgia	432	770	823
Hawaii	633	1,316	1,556
Idaho	648	715	745
Illinois	522	697	755
Indiana	220	386	413
Iowa	254	1,383	1,452
Kansas	304	792	906
Kentucky	444	851	1,000
Louisiana	413	740	750
Maine	185	277	302
Maryland	529	648	705
Massachusetts	950	--	668
Michigan	498 ¹	705	1,138
Minnesota	N.A.	894	987
Mississippi	289	489	857
Missouri	302	464	504
Montana	981	2,330	2,264
Nebraska	399	500	478
Nevada	N.A.	994	972
New Hampshire	160	202	517
New Jersey	516	620	605
New Mexico	1,114	1,480	1,567
New York	1,573	714	981
North Carolina	414	693	759
North Dakota	146	589	652
Ohio	N.A.	929	942
Oklahoma	160	372	370
Oregon	130	329	330
Pennsylvania	889	1,415	1,446
Rhode Island	N.A.	70	279
South Carolina	249	399	533
South Dakota	58	366	389
Tennessee	269	493	450
Texas	N.A.	842	914
Utah	309	604	684
Vermont	467	1,080	944
Virginia	N.A.	387	427
Washington	1,137	859	977
West Virginia	N.A.	--	--
Wisconsin	489	1,202	1,380
Wyoming	518	1,250	1,191
National Average	712	825	858

¹N.A. = not available.

Source: Table 4 and ECS estimates.

Table 6

FEDERAL AND STATE PUPILS SERVED BY AND
REVENUES FOR COMPENSATORY EDUCATION PROGRAMS, SELECTED YEARS

	Number of Students Served (Thousands)		
	1966	1976	1979
Federal Programs.	8,300 ¹	2	6,300 ³ est.
State Programs	N.A.	2,459 ⁴	2,689 ⁵
	Funds Appropriated (Millions)		
	1966	1976	1979
Federal	\$1,165 ¹	\$1,794 ⁶	\$3,100
State	N.A.	364 ⁷	699 ⁵

1"Questions and Answers on Programs for Educationally Deprived Children Under ESEA Title I." Washington, D.C.: Department of Health, Education and Welfare. 1971.

2

3ECS estimates.

4State Compensatory Education Programs. Washington, D.C.: National Institute of Education. December 1978.

5"State Compensatory Education Program Characteristics and Current Funding Levels for Sixteen States, 1978-79." Denver, Colo.: Education Finance Center, Education Commission of the States, 1979.

6National Center for Education Statistics. The Condition of Education, 1979. Washington, D.C.: U.S. Government Printing Office. 1979. Table 4.4, p. 148.

7Administration of Compensatory Education. Washington, D.C.: National Institute of Education. September 1977. p. 58.

Table 7

**STATES OPERATING THEIR OWN COMPENSATORY
EDUCATION PROGRAMS AS OF 1979-80 SCHOOL YEAR**

	<u>1978-79 Allocation (in Millions)</u>	<u>1979-80 Allocation (in Millions) (est.)</u>	<u>Number of Children Served, 1978-79</u>
California	\$135.0	\$159.0	N.A.
Connecticut	7.0	7.0	N.A.
Florida	26.5	28.5	N.A.
Georgia	12.7	12.7	158,000 (est.)
Hawaii	1.8	2.0	7,438
Illinois	200.0	200.0	175,000
Maryland	9.22	14.7	16,000 (est.)
Michigan	30.7	32.9	131,734
New Jersey	68.0	68.3	340,501
New York	140.5	136.9	478,012
Ohio	33.0	57.0	625,000 (est.)
Rhode Island	2.0	2.0	N.A.
Texas	25.4	42.9	190,000 (est.)
Utah	.957	1.02	5,000 (est.)
Washington	5.0	N.A.	N.A.
Wisconsin	1.25	.825	2,000 (est.)
Estimated Total	\$699.02	\$788.81	2,688,685 (est.)

**STATES PROVIDING AID FOR COMPENSATORY EDUCATION
THROUGH THE GENERAL SCHOOL AID FORMULA**

<u>State</u>	<u>Method of Distribution</u>
Indiana	Title I eligible pupils weighted 1.2 in foundation program.
Massachusetts	Low income Title I eligibles receive an additional weighting of 0.2.
Minnesota	Extra pupil units are awarded between .50 and 1.10 per AFDC student, depending on the concentration of AFDC students within the district.
Missouri	Enrolled AFDC and orphan students are weighted an extra 0.25 in the general aid formula.
Nebraska	Culturally and educationally deprived pupils receive an additional weighting of 1.00.
Pennsylvania	Between \$165 and \$200 per identified poverty pupil depending upon the classification of school district. Additional poverty aid is given, depending on concentration of poverty pupils, ranging between \$30 and \$200 per pupil.

Source: "State Compensatory Education Program Characteristics and Current Funding Levels for Sixteen States (1978-79)" and School Finance at a Fourth Glance. Denver, Colo.: Education Finance Center, Education Commission of the States. May 1979.

Table 8

STATES OPERATING THEIR OWN BILINGUAL
EDUCATION PROGRAMS

<u>State</u>	<u>1978-79 Appropriation (in Millions)</u>	<u>1979-80 Appropriation (in Millions)</u>	<u>Number of Children Served</u>
Arizona	\$ 1.0	\$ 1.0	20,000
Alaska	5.9	5.8	8,750
California	23.9	N.A.	233,444
Colorado	2.1	1.8	17,132
Connecticut	1.4	1.4	11,642
Hawaii	\$827,197	1.6	4,000
Illinois	14.6	16.6	34,139
Indiana	No funds have been appropriated.	-	-
Iowa	Program begins in 1980-81 school year.		
Kansas	-	300,000	2,000 (est.)
Louisiana	1.2	1.2	60,000
Massachusetts	19.3	N.A.	15,500
Michigan	4.0	4.5	16,590
Minnesota	400,000	400,000	700 (est.)
New Jersey	6.9	6.6	24,000
New Mexico	2.7	2.9	35,502
New York	1.9	1.9	N.A.
Rhode Island	200,000	214,000	2,600
(Currently programs are operated by LEA. State Legislation passage expected.)			
Texas	5.2	4.5	117,334
Utah	317,100	450,000	3,040
Washington	500,000	2.4	N.A.
Wisconsin	1.4	1.6	2,041
Total	93.7	98.4 ¹	608,414 ¹

¹ECS estimate.Source: 1978-79 Bilingual Education Survey. Denver, Colo.: Education
Finance Center, Education Commission of the States. 1979.